

CHAPTER 34  
PROVISIONS FOR AIR QUALITY EMISSIONS TRADING PROGRAMS

**567—34.1(455B) Purpose.** This chapter implements the provisions for certain federal air emissions trading programs to control emissions of specific pollutants.

**567—34.2 to 34.199** Reserved.

**567—34.200(455B) Provisions for air emissions trading and other requirements for the Clean Air Interstate Rule (CAIR).** The CAIR regulations contained in 40 CFR Part 96 are adopted as indicated in rules 567—34.200(455B) through 567—34.229(455B). Additional provisions for CAIR are set forth in 567—subrule 21.1(4), emissions inventory requirements, and in rules 567—22.120(455B) through 567—22.123(455B), acid rain program requirements.

**567—34.201(455B) CAIR NO<sub>x</sub> annual trading program general provisions.** The provisions in 40 CFR Part 96, Subpart AA (96.101 through 96.108), as amended through April 28, 2006, are adopted by reference, except that the definition of “permitting authority” in 96.102 shall mean the department of natural resources. Other terms contained in rules 567—34.200(455B) through 567—34.209(455B), and in Tables 1A and 1B, shall have the meanings set forth in 96.102.

**567—34.202(455B) CAIR designated representative for CAIR NO<sub>x</sub> sources.** The provisions in 40 CFR Part 96, Subpart BB, as amended through April 28, 2006, are adopted by reference.

**567—34.203(455B) Permits.** The provisions in 40 CFR Part 96, Subpart CC, as amended through April 28, 2006, are adopted by reference.

**567—34.204** Reserved.

**567—34.205(455B) CAIR NO<sub>x</sub> allowance allocations.** The provisions in 40 CFR Part 96, Subpart EE, 96.141 and 96.143, as amended through April 28, 2006, are adopted by reference, except as indicated in this rule.

**34.205(1) State trading budget.** The provisions in 40 CFR 96.140 are not adopted by reference. The state’s trading budget for annual allocations of CAIR NO<sub>x</sub> allowances for each control period from 2009 through 2014 is 32,692 tons. The state’s trading budget for annual allocations of CAIR NO<sub>x</sub> allowances for each control period, starting in 2015, and for each control period thereafter, is 27,243 tons.

**34.205(2) CAIR NO<sub>x</sub> allowance allocations.** The provisions in 40 CFR 96.142 are not adopted by reference. The provisions in this subrule for CAIR NO<sub>x</sub> allowance allocations are adopted in lieu thereof.

*a.* The baseline heat input used with respect to CAIR NO<sub>x</sub> allowance allocations under paragraph 34.205(2) “*b*” for each CAIR NO<sub>x</sub> unit will be:

(1) For units commencing operation before January 1, 2001 (existing units), the average of the three highest amounts of the units’ adjusted control period heat input (in mmBTU) for 2000 through 2004, with the adjusted control period heat inputs for each year calculated as follows:

1. If the unit is coal-fired during the year, the unit’s control period heat input for such year is multiplied by 100 percent;

2. If the unit is oil-fired during the year, the unit's control period heat input for such year is multiplied by 60 percent; and

3. If numbered paragraphs "1" and "2" are not applicable to the unit, the unit's control period heat input for such year is multiplied by 40 percent.

(2) For units commencing operation on or after January 1, 2001, and commencing construction before January 1, 2006 (new units), the nameplate capacity of the generator being served, provided that if a generator is served by two or more units, then the nameplate capacity will be attributed to each unit in equal fraction of the total nameplate capacity, multiplied by:

1. 7900 BTU/kW, if the unit is coal-fired for the year; or

2. 6675 BTU/kW, if the unit is not coal-fired for the year.

b. (1) For each control period in 2009 and thereafter, but for no control period later than that control period required to meet the minimum timing requirements specified in 40 CFR 96.141(a) and 96.141(b), the department will allocate to all CAIR NO<sub>x</sub> units with a baseline heat input as determined in subparagraph 34.205(2) "a" (1) for existing units a total amount of CAIR NO<sub>x</sub> allowances equal to 95 percent for each control period from 2009 through 2014, and 97 percent for each control period in 2015 and thereafter, of the tons of NO<sub>x</sub> emissions in the state trading budget specified in subrule 34.205(1).

(2) The department will allocate CAIR NO<sub>x</sub> allowances to each CAIR NO<sub>x</sub> unit under subparagraph 34.205(2) "b" (1) for existing units in an amount determined by multiplying the total amount of CAIR NO<sub>x</sub> allowances allocated under subparagraph 34.205(2) "b" (1) by the ratio of the baseline heat input of such a CAIR NO<sub>x</sub> unit to the total amount of baseline heat input of all such CAIR NO<sub>x</sub> units and rounding to the nearest whole allowance as appropriate.

c. (1) For each control period in 2009 and thereafter, but for no control period later than is required to meet the minimum timing requirements set forth in 40 CFR 96.141(a) and 96.141(b), the department will allocate to all CAIR NO<sub>x</sub> units with a baseline heat input as determined in subparagraph 34.205(2) "a" (2) for new units a total amount of CAIR NO<sub>x</sub> allowances equal to 5 percent for each control period from 2009 through 2014, and 3 percent for each control period in 2015 and thereafter, of the tons of NO<sub>x</sub> emissions in the state trading budget as specified in subrule 34.205(1).

(2) The department will allocate CAIR NO<sub>x</sub> allowances to each CAIR NO<sub>x</sub> unit under subparagraph 34.205(2) "c" (1) for new units in an amount determined by multiplying the total amount of CAIR NO<sub>x</sub> allowances allocated under subparagraph 34.205(2) "c" (1) by the ratio of the baseline heat input of such a CAIR NO<sub>x</sub> unit to the total amount of baseline heat input of all such CAIR NO<sub>x</sub> units and rounding to the nearest whole allowance as appropriate.

d. The unit allocations of CAIR NO<sub>x</sub> allowances described in subparagraphs 34.304(2) "b" (2) and 34.304(2) "c" (2) are set forth in Tables 1A and 1B. Upon allocation, allowances may be tracked, transferred, banked and recorded as specified under 40 CFR 96.150 through 96.162 as amended through April 28, 2006.

**Table 1A. Annual NO<sub>x</sub> Allocations for Existing Units in Tons Per Year**

<b>Facility ID</b>	<b>County</b>	<b>Unit ID</b>	<b>2009 – 2014</b>	<b>2015 and thereafter</b>
Ames	Story	7	100	85
Ames	Story	8	351	299
Burlington Generating Station	Des Moines	1	1151	979
Cedar Falls Gas Turbine	Black Hawk	1	0	0
Cedar Falls Gas Turbine	Black Hawk	2	0	0
Council Bluffs Energy Center	Pottawattamie	1	307	261
Council Bluffs Energy Center	Pottawattamie	2	461	392
Council Bluffs Energy Center	Pottawattamie	3	4138	3521
Dubuque Generation Station	Dubuque	1	211	179
Dubuque Generation Station	Dubuque	5	145	123
Dubuque Generation Station	Dubuque	6	21	18
Earl F Wisdom Generation Station	Clay	1	75	64
Electrifarm Turbines	Black Hawk	GT1	7	6
Electrifarm Turbines	Black Hawk	GT2	8	7
Electrifarm Turbines	Black Hawk	GT3	8	7
Fair Station	Muscatine	2	205	174
George Neal North	Woodbury	1	765	651
George Neal North	Woodbury	2	1426	1213
George Neal North	Woodbury	3	2690	2289
George Neal South	Woodbury	4	3530	3004
Lansing Generating Station	Allamakee	1	5	5
Lansing Generating Station	Allamakee	2	13	11
Lansing Generating Station	Allamakee	3	161	137
Lansing Generating Station	Allamakee	4	1165	991
Lime Creek Combustion Turbines Station	Cerro Gordo	**1	3	2
Lime Creek Combustion Turbines Station	Cerro Gordo	**2	2	2
Louisa Station	Muscatine	101	3945	3357
Marshalltown	Marshall	**1	4	4
Marshalltown	Marshall	**2	7	6
Marshalltown	Marshall	**3	5	5
Milton L Kapp Generating Station	Clinton	2	1089	926
Muscatine	Muscatine	8	488	415
Muscatine	Muscatine	9	959	816
North Centerville Combustion Turbines	Appanoose	**1	1	1
North Centerville Combustion Turbines	Appanoose	**2	1	1
Ottumwa Generating Station	Wapello	1	4168	3547
Pella Station	Marion	6	69	59
Pella Station	Marion	7	71	60
Pella Station	Marion	8	0	0
Pleasant Hill	Polk	GT1	1	1
Pleasant Hill	Polk	GT2	1	1
Pleasant Hill	Polk	GT3	5	4
Prairie Creek Generating Station	Linn	3	317	270
Prairie Creek Generating Station	Linn	4	771	656
Riverside Station	Scott	9	591	502
Sixth Street Generating Station	Linn	2	118	100
Sixth Street Generating Station	Linn	3	124	106
Sixth Street Generating Station	Linn	4	93	79
Sixth Street Generating Station	Linn	5	198	169

Facility ID	County	Unit ID	2009 – 2014	2015 and thereafter
Streeter Station	Black Hawk	7	105	89
Summit Lake Facility	Union	1G	5	4
Summit Lake Facility	Union	2G	6	5
Sutherland Generating Station	Marshall	1	211	180
Sutherland Generating Station	Marshall	2	213	181
Sutherland Generating Station	Marshall	3	529	450
Sycamore Turbines	Polk	GT1	6	5
Sycamore Turbines	Polk	GT2	8	7

\*\*Denotes an affected unit for which the unit ID is unavailable.

**Table 1B. Annual NO<sub>x</sub> Allocations for New Units in Tons Per Year**

Facility ID	County	Unit ID	2009 – 2014	2015 and thereafter
Ames	Story	GT2	52	26
Council Bluffs Energy Center	Pottawattamie	4	713	356
Earl F Wisdom Generation Station	Clay	2	73	36
Emery Station	Cerro Gordo	11	130	65
Emery Station	Cerro Gordo	12	130	65
Emery Station	Cerro Gordo	13	187	93
Exira Station	Audubon	CT U-1	38	19
Exira Station	Audubon	CT U-2	38	19
Greater Des Moines Energy Center	Polk	GT1	137	69
Greater Des Moines Energy Center	Polk	GT2	137	69

**34.205(3) Compliance supplement pool.** In addition to the CAIR NO<sub>x</sub> trading budget specified in subrule 34.205(1), and the allocations specified in subrule 34.205(2), the department may allocate to CAIR NO<sub>x</sub> units for the control period in 2009 up to 6,978 CAIR NO<sub>x</sub> allowances from the state’s compliance supplement pool. The allocation criteria set forth in 40 CFR 96.143 as amended through April 28, 2006, specifying requirements for affected units to request such allowances and for the department to allocate such allowances, are adopted by reference.

*a.* Public notice and public participation. The department shall provide public notice and an opportunity for public comments, including an opportunity for a hearing, before allocating allowances from the compliance supplement pool.

*b.* Public notice requirements. For purposes of this rule, the department shall give notice in a format designed to give general public notice including, but not limited to, electronic mail listserver, the department’s official Web site, or a press release. The public notice shall include the following:

- (1) Identification of the source requesting the allowances.
- (2) Name and address of the requester.
- (3) The number of allowances requested.
- (4) The reason for the request.
- (5) The time and place of any scheduled public hearing.
- (6) A statement that any person may submit written comments or may request a public hearing, or both, on the proposed allowance allocation.
- (7) A statement of the procedures to request a public hearing.
- (8) The name, address and telephone number of a person from whom additional information may be obtained.
- (9) Locations where copies of the complete allowance request and the department’s proposed allowance allocation may be reviewed, including the nearest department office, and the times at which the copies will be available for public inspection.

c. At least 30 days shall be provided for public comment. Notice of any public hearing shall be given at least 30 days in advance of the hearing.

d. The department shall keep a record of the commenters and the issues raised during the public participation process and shall prepare written responses to all comments received.

e. At the time that the department submits to the Administrator the final allowance allocations from the compliance supplement pool, the record and copies of the department's responses shall be made available to the public.

**567—34.206(455B) CAIR NO<sub>x</sub> allowance tracking system.** The provisions in 40 CFR Part 96, Subpart FF, as amended through April 28, 2006, are adopted by reference.

**567—34.207(455B) CAIR NO<sub>x</sub> allowance transfers.** The provisions in 40 CFR Part 96, Subpart GG, as amended through May 12, 2005, are adopted by reference.

**567—34.208(455B) Monitoring and reporting.** The provisions in 40 CFR Part 96, Subpart HH, as amended through April 28, 2006, are adopted by reference.

**567—34.209(455B) CAIR NO<sub>x</sub> opt-in units.** The provisions in 40 CFR Part 96, Subpart II, as amended through April 28, 2006, are adopted by reference.

**567—34.210(455B) CAIR SO<sub>2</sub> trading program.** The provisions in 40 CFR Part 96, Subparts AAA through III, as amended through April 28, 2006, are adopted by reference, except that the definition of "permitting authority" contained in 96.202 shall mean the department of natural resources.

**567—34.211 to 34.219** Reserved.

**567—34.220(455B) CAIR NO<sub>x</sub> ozone season trading program.** The provisions in 40 CFR Part 96, Subparts AAAA through IIII, are adopted as indicated in rules 567—34.221(455B) through 567—34.229(455B).

**567—34.221(455B) CAIR NO<sub>x</sub> ozone season trading program general provisions.** The provisions in 40 CFR Part 96, Subpart AAAA (96.301 through 96.308), as amended through April 28, 2006, are adopted by reference, except that the definition of "permitting authority" in 96.302 shall mean the department of natural resources. Other terms contained in rules 567—34.221(455B) through 567—34.229(455B), and in Tables 2A and 2B, shall have the meanings set forth in 96.302.

**567—34.222(455B) CAIR designated representative for CAIR NO<sub>x</sub> ozone season sources.** The provisions in 40 CFR Part 96, Subpart BBBB, as amended through April 28, 2006, are adopted by reference.

**567—34.223(455B) CAIR NO<sub>x</sub> ozone season permits.** The provisions in 40 CFR Part 96, Subpart CCCC, as amended through April 28, 2006, are adopted by reference.

**567—34.224** Reserved.

**567—34.225(455B) CAIR NO<sub>x</sub> ozone season allowance allocations.** The provisions in 40 CFR Part 96, Subpart EEEE, 96.341, as amended through April 28, 2006, are adopted by reference, except as indicated in this rule.

**34.225(1) State trading budget.** The provisions in 40 CFR 96.340 are not adopted by reference. The state's trading budget for annual allocations of CAIR NO<sub>x</sub> ozone season allowances for each control period from 2009 through 2014 is 14,263 tons. The state's trading budget for annual allocations of CAIR NO<sub>x</sub> ozone season allowances for each control period, starting in 2015, and for each control period thereafter, is 11,886 tons.

**34.225(2) CAIR NO<sub>x</sub> ozone season allowance allocations.** The provisions in 40 CFR 96.342 are not adopted by reference. The provisions in this subrule for CAIR NO<sub>x</sub> ozone season allowance allocations are adopted in lieu thereof.

*a.* The baseline heat input used with respect to CAIR NO<sub>x</sub> ozone season allowance allocations under paragraph 34.225(2) "b" for each CAIR NO<sub>x</sub> ozone season unit will be:

(1) For units commencing operation before January 1, 2001 (existing units), the average of the three highest amounts of the units' adjusted control period heat input (in mmBTU) for the five-month period from May 1 through September 30 (ozone season) for 2000 through 2004, with the adjusted control period heat inputs for each year calculated as follows:

1. If the unit is coal-fired during the year, the unit's control period heat input for such year is multiplied by 100 percent;

2. If the unit is oil-fired during the year, the unit's control period heat input for such year is multiplied by 60 percent; and

3. If numbered paragraphs "1" and "2" are not applicable to the unit, the unit's control period heat input for such year is multiplied by 40 percent.

(2) For units commencing operation on or after January 1, 2001, and commencing construction before January 1, 2006 (new units), the nameplate capacity of the generator being served, provided that if a generator is served by two or more units, then the nameplate capacity will be attributed to each unit in equal fraction of the total nameplate capacity, multiplied by:

1. 7900 BTU/kW, if the unit is coal-fired for the year; or

2. 6675 BTU/kW, if the unit is not coal-fired for the year.

*b.* (1) For each control period in 2009 and thereafter, but for no control period later than that control period required to meet the minimum timing requirements specified in 40 CFR 96.341(a) and 96.341(b), the department will allocate to all CAIR NO<sub>x</sub> units with an ozone season baseline heat input as determined in subparagraph 34.225(2) "a"(1) for existing units a total amount of CAIR NO<sub>x</sub> ozone season allowances equal to 95 percent for each control period from 2009 through 2014, and 97 percent for each control period in 2015 and thereafter, of the tons of NO<sub>x</sub> ozone season emissions in the state trading budget specified in subrule 34.225(1).

(2) The department will allocate CAIR NO<sub>x</sub> ozone season allowances to each CAIR NO<sub>x</sub> ozone season unit under subparagraph 34.225(2) "b"(1) for existing units in an amount determined by multiplying the total amount of CAIR NO<sub>x</sub> allowances allocated under subparagraph 34.225(2) "b"(1) by the ratio of the ozone season baseline heat input of such a CAIR NO<sub>x</sub> unit to the total amount of ozone season baseline heat input of all such CAIR NO<sub>x</sub> ozone season units and rounding to the nearest whole allowance as appropriate.

c. (1) For each control period in 2009 and thereafter, but for no control period later than is required to meet the minimum timing requirements set forth in 40 CFR 96.341(a) and 96.341(b), the department will allocate to all CAIR NO<sub>x</sub> ozone season units with an ozone season baseline heat input as determined in subparagraph 34.225(2) "a"(2) for new units a total amount of CAIR NO<sub>x</sub> ozone season allowances equal to 5 percent for each control period from 2009 through 2014, and 3 percent for each control period in 2015 and thereafter, of the tons of NO<sub>x</sub> ozone season emissions in the state trading budget as specified in subrule 34.225(1).

(2) The department will allocate CAIR NO<sub>x</sub> ozone season allowances to each CAIR NO<sub>x</sub> ozone season unit under subparagraph 34.225(2) "c"(1) for new units in an amount determined by multiplying the total amount of CAIR NO<sub>x</sub> ozone season allowances allocated under subparagraph 34.225(2) "c"(1) by the ratio of the ozone season baseline heat input of such a CAIR NO<sub>x</sub> ozone season unit to the total amount of ozone season baseline heat input of all such CAIR NO<sub>x</sub> units and rounding to the nearest whole allowance as appropriate.

d. The unit allocations of CAIR NO<sub>x</sub> ozone season allowances described in subparagraphs 34.225(2) "b"(2) and 34.225(2) "c"(2) are set forth in Tables 2A and 2B. Upon allocation, allowances may be tracked, transferred, banked and recorded as specified under 40 CFR 96.350 through 96.362 as amended through April 28, 2006.

**Table 2A. Ozone Season NO<sub>x</sub> Allocations for Existing Units in Tons Per Year**

Facility ID	County	Unit ID	2009 – 2014	2015 and thereafter
Ames	Story	7	54	46
Ames	Story	8	158	134
Burlington Generating Station	Des Moines	1	549	467
Cedar Falls Gas Turbine	Black Hawk	1	0	0
Cedar Falls Gas Turbine	Black Hawk	2	4	3
Council Bluffs Energy Center	Pottawattamie	1	133	114
Council Bluffs Energy Center	Pottawattamie	2	191	163
Council Bluffs Energy Center	Pottawattamie	3	1822	1550
Dubuque Generation Station	Dubuque	1	104	88
Dubuque Generation Station	Dubuque	5	66	56
Dubuque Generation Station	Dubuque	6	14	12
Earl F Wisdom Generation Station	Clay	1	32	27
Electrifarm Turbines	Black Hawk	GT1	6	5
Electrifarm Turbines	Black Hawk	GT2	7	6
Electrifarm Turbines	Black Hawk	GT3	6	5
Fair Station	Muscatine	2	92	79
George Neal North	Woodbury	1	331	281
George Neal North	Woodbury	2	603	513
George Neal North	Woodbury	3	1189	1012
George Neal South	Woodbury	4	1522	1295
Lansing Generating Station	Allamakee	1	4	3
Lansing Generating Station	Allamakee	2	6	5
Lansing Generating Station	Allamakee	3	77	66
Lansing Generating Station	Allamakee	4	495	421
Lime Creek Combustion Turbines Station	Cerro Gordo	**1	2	2
Lime Creek Combustion Turbines Station	Cerro Gordo	**2	2	1
Louisa Station	Muscatine	101	1632	1389
Marshalltown	Marshall	**1	3	2
Marshalltown	Marshall	**2	3	2
Marshalltown	Marshall	**3	3	2
Milton L Kapp Generating Station	Clinton	2	486	414

Facility ID	County	Unit ID	2009 – 2014	2015 and thereafter
Muscatine	Muscatine	8	201	171
Muscatine	Muscatine	9	441	375
North Centerville Combustion Turbines	Appanoose	**1	1	1
North Centerville Combustion Turbines	Appanoose	**2	1	1
Ottumwa Generating Station	Wapello	1	1761	1498
Pella Station	Marion	6	28	24
Pella Station	Marion	7	35	30
Pella Station	Marion	8	0	0
Pleasant Hill	Polk	GT1	1	1
Pleasant Hill	Polk	GT2	1	1
Pleasant Hill	Polk	GT3	2	2
Prairie Creek Generating Station	Linn	3	134	114
Prairie Creek Generating Station	Linn	4	366	312
Riverside Station	Scott	9	252	214
Sixth Street Generating Station	Linn	2	54	46
Sixth Street Generating Station	Linn	3	52	44
Sixth Street Generating Station	Linn	4	44	38
Sixth Street Generating Station	Linn	5	83	71
Streeter Station	Black Hawk	7	40	34
Summit Lake Facility	Union	1G	4	3
Summit Lake Facility	Union	2G	5	4
Sutherland Generating Station	Marshall	1	95	81
Sutherland Generating Station	Marshall	2	94	80
Sutherland Generating Station	Marshall	3	245	209
Sycamore Turbines	Polk	GT1	6	5
Sycamore Turbines	Polk	GT2	8	7

\*\*Denotes an affected unit for which the unit ID is unavailable.

**Table 2B. Ozone Season NO<sub>x</sub> Allocations for New Units in Tons Per Year**

Facility ID	County	Unit ID	2009 – 2014	2015 and thereafter
Ames	Story	GT2	22	11
Council Bluffs Energy Center	Pottawattamie	4	311	155
Earl F Wisdom Generation Station	Clay	2	32	16
Emery Station	Cerro Gordo	11	57	29
Emery Station	Cerro Gordo	12	57	29
Emery Station	Cerro Gordo	13	81	41
Exira Station	Audubon	CT U-1	16	8
Exira Station	Audubon	CT U-2	17	8
Greater Des Moines Energy Center	Polk	GT1	60	30
Greater Des Moines Energy Center	Polk	GT2	60	30

**567—34.226(455B) CAIR NO<sub>x</sub> ozone season allowance tracking system.** The provisions in 40 CFR Part 96, Subpart FFFF, as amended through April 28, 2006, are adopted by reference.

**567—34.227(455B) CAIR NO<sub>x</sub> ozone season allowance transfers.** The provisions in 40 CFR Part 96, Subpart GGGG, as amended through May 12, 2005, are adopted by reference.

**567—34.228(455B) CAIR NO<sub>x</sub> ozone season monitoring and reporting.** The provisions in 40 CFR Part 96, Subpart HHHH, as amended through April 28, 2006, are adopted by reference.



**567—34.229(455B) CAIR NO<sub>x</sub> ozone season opt-in units.** The provisions in 40 CFR Part 96, Subpart IIII, as amended through April 28, 2006, are adopted by reference.

**567—34.230 to 34.299** Reserved.

**567—34.300(455B) Provisions for air emissions trading and other requirements for the Clean Air Mercury Rule (CAMR).** The CAMR provisions in 40 CFR Part 60, Subpart HHHH, as amended through June 9, 2006, are adopted as indicated in rules 567—34.301(455B) through 567—34.308(455B). Additional provisions for CAMR are set forth in 567—subrule 23.1(2), 567—paragraph 23.1(2) “z,” 567—subrules 23.1(5) and 25.1(9) and rule 567—25.3(455B).

**567—34.301(455B) Mercury (Hg) budget trading program general provisions.** The provisions in 40 CFR 60.4101 through 60.4108 as amended through June 9, 2006, are adopted by reference, except that the definition of “permitting authority” in 60.4102 shall mean the department of natural resources. Other terms contained in rules 567—34.301(455B) through 567—34.308(455B), and in Tables 3A and 3B, shall have the meanings set forth in 60.4102.

**567—34.302(455B) Hg designated representative for Hg budget sources.** The provisions in 40 CFR 60.4110 through 60.4114 as amended through May 18, 2005, are adopted by reference.

**567—34.303(455B) General Hg budget trading program permit requirements.** The provisions in 40 CFR 60.4120 through 60.4124 as amended through May 18, 2005, are adopted by reference.

**567—34.304(455B) Hg allowance allocations.** The provisions in 40 CFR 60.4141 as amended through June 9, 2006, are adopted by reference, except as indicated in this rule.

**34.304(1) State trading budget.** The provisions of 40 CFR 60.4140 are not adopted by reference. The state’s trading budget for annual allocations of Hg allowances for each control period from 2010 through 2017 is 0.727 tons (23,264 ounces). The state’s trading budget for annual allocations of Hg allowances for the control period, starting in 2018, and for each control period thereafter, is 0.287 tons (9,184 ounces).

**34.304(2) Hg allowance allocations.** The provisions of 40 CFR 60.4142 are not adopted by reference. The provisions in this subrule for Hg allowance allocations are adopted in lieu thereof.

*a.* The baseline heat input used with respect to CAMR Hg allowance allocations under paragraph 34.302(4) “b” for each CAMR Hg unit will be:

(1) For units commencing operation before January 1, 2001 (existing units), the average of the three highest amounts of the units’ adjusted control period heat input (in mmBTU) for 2000 through 2004, with the adjusted control period heat inputs for each year calculated as follows:

1. Any portion of the unit’s control period heat input for the year that results from the unit’s combustion of lignite, multiplied by 3.0;

2. Any portion of the unit’s control period heat input for the year that results from the unit’s combustion of subbituminous coal, multiplied by 1.25; and

3. Any portion of the unit’s control period heat input for the year that is not covered by numbered paragraphs “1” and “2,” multiplied by 1.0.

(2) For units commencing operation on or after January 1, 2001, and commencing construction before January 1, 2006 (new units), the nameplate capacity of the generator being served, provided that if a generator is served by two or more units, then the nameplate capacity will be attributed to each unit in equal fraction of the total nameplate capacity, multiplied by 7900 BTU/kW.

*b.* (1) For each control period in 2010 and thereafter, but for no control period later than that control period required to meet the minimum timing requirements specified in 40 CFR 60.4141(a) and 60.4141(b)(1), the department will allocate to all CAMR Hg units with a baseline heat input as determined in subparagraph 34.304(2)“*a*”(1) for existing units a total amount of CAMR Hg allowances equal to 95 percent for each control period from 2010 through 2017, and 97 percent for each control period in 2018 and thereafter, of the tons of Hg emissions in the state trading budget specified in subrule 34.304(1).

(2) The department will allocate CAMR Hg allowances to each CAMR Hg unit under subparagraph 34.304(2)“*b*”(1) for existing units in an amount determined by multiplying the total amount of CAMR Hg allowances allocated under subparagraph 34.304(2)“*b*”(1) by the ratio of the baseline heat input of such a CAMR Hg unit to the total amount of baseline heat input of all such CAMR Hg units and rounding to the nearest whole allowance as appropriate.

*c.* (1) For each control period in 2010 and thereafter, but for no control period later than is required to meet the minimum timing requirements set forth in 40 CFR 60.4141(a) and 60.4141(b)(1), the department will allocate to all CAMR Hg units with a baseline heat input as determined in subparagraph 34.304(2)“*a*”(2) for new units a total amount of CAMR Hg allowances equal to 5 percent for each control period from 2010 through 2017, and 3 percent for each control period in 2018 and thereafter, of the tons of Hg emissions in the state trading budget as specified in subrule 34.304(1).

(2) The department will allocate CAMR Hg allowances to each CAMR Hg unit under subparagraph 34.304(2)“*c*”(1) for new units in an amount determined by multiplying the total amount of CAMR Hg allowances allocated under subparagraph 34.304(2)“*c*”(1) by the ratio of the baseline heat input of such a CAMR Hg unit to the total amount of baseline heat input of all such CAMR Hg units and rounding to the nearest whole allowance as appropriate.

*d.* The unit allocations of CAMR Hg allowances described in subparagraphs 34.304(2)“*b*”(2) and 34.304(2)“*c*”(2) are set forth in Tables 3A and 3B. Upon allocation, allowances may be tracked, transferred, banked and recorded as specified under 40 CFR 60.4150 through 60.4176 as amended through May 18, 2005.

**Table 3A. Mercury (Hg) Allowance Allocations for Existing Units in Ounces Per Year**

Facility ID	County	Unit ID	2010 – 2017	2018 and thereafter
Ames	Story	7	68	28
Ames	Story	8	244	98
Burlington Generating Station	Des Moines	1	823	332
Council Bluffs Energy Center	Pottawattamie	1	220	88
Council Bluffs Energy Center	Pottawattamie	2	330	133
Council Bluffs Energy Center	Pottawattamie	3	2961	1194
Dubuque Generation Station	Dubuque	1	151	61
Dubuque Generation Station	Dubuque	5	104	42
Dubuque Generation Station	Dubuque	6	15	6
Earl F Wisdom Generation Station	Clay	1	43	17
Fair Station	Muscatine	2	117	47
George Neal North	Woodbury	1	547	221
George Neal North	Woodbury	2	1020	411
George Neal North	Woodbury	3	1925	776
George Neal South	Woodbury	4	2526	1018
Lansing Generating Station	Allamakee	1	4	2
Lansing Generating Station	Allamakee	2	9	4
Lansing Generating Station	Allamakee	3	116	47
Lansing Generating Station	Allamakee	4	834	336
Louisa Station	Muscatine	101	2823	1138
Milton L Kapp Generating Station	Clinton	2	779	314

Facility ID	County	Unit ID	2010 – 2017	2018 and thereafter
Muscatine	Muscatine	8	349	141
Muscatine	Muscatine	9	686	277
Ottumwa Generating Station	Wapello	1	2982	1202
Pella Station	Marion	6	50	20
Pella Station	Marion	7	51	20
Prairie Creek Generating Station	Linn	3	227	91
Prairie Creek Generating Station	Linn	4	552	222
Riverside Station	Scott	9	423	170
Sixth Street Generating Station	Linn	2	84	34
Sixth Street Generating Station	Linn	3	89	36
Sixth Street Generating Station	Linn	4	66	27
Sixth Street Generating Station	Linn	5	142	57
Streeter Station	Black Hawk	7	60	24
Sutherland Generating Station	Marshall	1	151	61
Sutherland Generating Station	Marshall	2	152	61
Sutherland Generating Station	Marshall	3	378	152

**Table 3B. Mercury (Hg) Allowance Allocations for New Units in Ounces Per Year**

Facility ID	County	Unit ID	2010 – 2017	2018 and thereafter
Council Bluffs Energy Center	Pottawattamie	4	1163	276

**567—34.305(455B) Hg allowance tracking system.** The provisions in 40 CFR 60.4150 through 60.4157 as amended through May 18, 2005, are adopted by reference.

**567—34.306(455B) Hg allowance transfers.** The provisions in 40 CFR 60.4160 through 60.4162 as amended through May 18, 2005, are adopted by reference.

**567—34.307(455B) Monitoring and reporting.** The provisions in 40 CFR 60.4170 through 60.4176 as amended through May 18, 2005, are adopted by reference.

**567—34.308(455B) Performance specifications.** The provisions in 40 CFR Part 60, Appendix B, as amended through May 18, 2005, are adopted by reference.

These rules are intended to implement Iowa Code section 455B.133.

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